

## CLAIMS

1. A method of determining an opening price for a product traded in a trading system, the method executed over a distributed network computer system, said method comprising:
  - receiving orders for a product, each order specifying a quantity and whether the order is a buy or sell order;
  - determining an imbalance condition between received buy orders and received sell orders for the product; and
  - posting an allocation message to market maker participants to communicate an expected allocation of the imbalance for execution at an initial opening of the market in the event that the imbalance exists at the opening.
2. The method of claim 1 wherein the orders are orders at a market price and are orders for customer accounts.
3. The method of claim 1 further comprising:
  - disseminating a message that indicates a current imbalance between buy and sell orders for the product.
4. The method of claim 1 wherein the products are financial instruments.
5. The method of claim 1 further comprising:
  - disseminating a message that indicates a current imbalance between buy and sell orders for the product; andwherein determining an imbalance condition, posting an allocation message to market participants, and disseminating an imbalance message over regular periods of time between the initial reception of orders and actual opening of the trading system.

8 6. The method of claim 5 further comprising:  
9 establishing a lock-in period that requires market  
10 makers to specify whether they accept the last anticipated share  
11 allocation received by them in order that their allocation will  
12 not be further reduced.

1 7. The method of claim 6 further comprising:  
2 applying received predefined relative indications to an  
3 imbalance that exists subsequent to establishing the lock-in  
4 period.

1 8. The method of claim 7 further comprising:  
2 allocating the remaining imbalance amongst market  
3 makers after applying predefined relative indications to  
4 eliminate the imbalance.

1 9. The method of claim 8 further comprising:  
2 determining an opening price based on allocated  
3 imbalance amongst the market participants and applied predefined  
4 relative indications.

1 10. The method of claim 1 wherein the orders are limit  
2 orders and wherein marketable ones of those limit orders are  
3 applied to reduce an imbalance.

1 11. A computer program product for determining an opening  
2 price for a product said computer program product residing on a  
3 computer readable medium comprising instructions for causing a  
4 computer to:  
5 receive orders for a product, each order specifying a  
6 quantity and whether the order is a buy or sell order at a market  
7 price;

8           determine an imbalance condition between received buy  
9 orders and received sell orders;  
10           post an allocation message to market maker participants  
11 to communicate an expected allocation of an imbalance for  
12 execution at an initial opening of the market in the event that  
13 the imbalance exists at the opening.

1   12.       The computer program product of claim 11 wherein  
2 instructions that cause the computer to accept orders, further  
3 comprise instructions that cause the computer to:  
4           accept customer orders or orders for customer accounts.

1   13.       The computer program product of claim 11 further  
2 comprising instructions that cause the computer to:  
3           disseminate a message that indicates a current  
4 imbalance between buy and sell orders for the product.

1   14.       The computer program product of claim 11 wherein the  
2 products are financial instruments.

1   15.       The computer program product of claim 11 further  
2 comprising instructions that cause the computer to:  
3           disseminate a message that indicates a current  
4 imbalance between buy and sell orders for the product, and  
5 wherein instructions to determine an imbalance condition, post an  
6 allocation message to market participants, and disseminate an  
7 imbalance message, occur over regular periods of time between the  
8 initial reception of orders and actual opening of the auction.

1   16.       The computer program product of claim 15 further  
2 comprising instructions that cause the computer to:  
3           establish a lock-in period that requires market makers

4 to specify whether they accept the last anticipated share  
5 allocation in order that their allocation will not be further  
6 reduced.

1 17. The computer program product of claim 16 further  
2 comprising instructions that cause the computer to:  
3 apply received predefined relative indications to any  
4 imbalance that may exist subsequent to establishing the lock-in  
5 period.

1 18. The computer program product of claim 11 further  
2 comprising instructions that cause the computer to:  
3 accept limit orders; and  
4 allocate the remaining imbalance amongst market makers  
5 after applying predefined relative indications and marketable  
6 limit orders to eliminate the imbalance.

1 19. The computer program product of claim 18 further  
2 comprising instructions that cause the computer to:  
3 determine an opening price based on first free and open  
4 quote and whether there is still an imbalance.

1 20. The computer program product of claim 11 further  
2 comprising instructions that cause the computer to:  
3 execute the entire amount of accumulated shares as a  
4 single block at one price.

1 21. A system for determining an opening price for products  
2 traded over a distributed, networked computer system, said system  
3 comprising:  
4 a plurality of workstations for entering orders for  
5 financial products into the distributed, networked computer

6 system, said orders specifying a quantity of the financial  
7 product;

8 a server computer coupled to the workstations for  
9 entering the orders, said server computer executing a server  
10 process that determines an opening price for the product, the  
11 server process comprising instructions that cause the server to:  
12 receive orders for the product, each order  
13 specifying a quantity and whether the order is a buy or  
14 sell order at a market price;  
15 determine an imbalance condition between received  
16 buy orders and received sell orders; and  
17 post an allocation message to market maker  
18 participants to communicate an expected allocation of  
19 the imbalance for execution at an initial opening of  
20 the market in the event that the imbalance exists at  
21 the opening.

22. The system of claim 21 wherein the computer program  
product further comprises instructions for causing the server to:  
receive limit orders for the product, each order  
specifying a quantity and whether the order is a buy or sell  
order.

23. The system of claim 21 wherein the computer program  
product further comprises instructions that cause the computer  
to:  
disseminate a message that indicates a current  
imbalance between buy and sell orders for the product.

24. The system of claim 21 wherein the products are  
financial instruments.

1 25. The system of claim 22 wherein the computer program  
2 product of claim 21 further comprising instructions that cause  
3 the computer to:  
4 apply marketable limit orders to any imbalance that may  
5 exist.